BEFORE THE

DEPARTMENT OF TRANSPORTATION

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97 DEC -9 PM 4:53

WASHINGTON, D.C.

DOCKET SECTION

QA 29492

In the Matter of

COMPUTER RESERVATIONS SYSTEMS : (CRS) REGULATIONS :

Docket OST-97-2881-43

COMMENTS OF AER LINGUS LIMITED

Communications with respect to this document should be sent to:

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December 9, 1997

BEFORE THE

DEPARTMENT OF TRANSPORTATION

WASHINGTON, D.C.

In the Matter of : COMPUTER RESERVATIONS SYSTEMS : Docket OST-97-2881 (CRS) REGULATIONS :

COMMENTS OF AER LINGUS LIMITED.

Aer Lingus Limited urges the Department to readopt and update the existing rules regulating computer reservations systems to assure competitive opportunities for airlines of all kinds and all CRS systems. The Department's CRS rules provide essential protection from anticompetitive abuses for smaller foreign airlines which compete with major U.S. and foreign airlines and their alliances.

As the Department declared less than a week ago when it adopted new fair display rules, "Each of the CRSs operating in the United States is entirely or predominantly owned by one or more airlines or airline affiliates that would have the ability and incentive to use the systems to prejudice the competitive position of

other airlines if the systems were not regulated."

The ability of CRSs and their major airline owners to devise new ways of increasing their dominance at the expense of smaller airlines as technology develops further requires the Department to address new forms of anticompetitive behavior as they occur. The CRS rules must keep pace with the rapid changes now taking place in technology, in the distribution system and the CRS operating environment. As airlines and CRS systems become increasingly global, the interrelationships between rules imposed in the U.S. and rules imposed in the European Union and other countries should also be considered in developing new U.S. rules.

Aer Lingus agrees with America West that participating carriers should not be charged for passive bookings and endorses America West's recommendation that the Department propose rules to curb abusive booking practices on an expedited basis, without waiting for completion of its overall CRS review. Such an approach is consistent with the Department's decision to issue rules on parity clauses and fair displays before concluding this proceeding.

¹ 62 Fed. Reg. 63837, 63838 (Dec. 3 1997).

Comments of Aer Lingus Limited Page 3

Aer Lingus looks forward to working with the Department of Transportation and other commenters on these important rules. Aer Lingus will respond further on the issues raised by the Department and the proposals of other commenters when Aer Lingus submits its reply comments.

Respectfully submitted,

AER LINGUS LIMITED

Jack Foley

Mary Lou Hennebry

December 9, 1997 ₁₄₄₈₂₅₆